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THE PRESIDENT'S INTELLIGENCE REVIEW

**ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY**

10 - 13 OCTOBER 1964
~~TOP SECRET~~

1. USSR:

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2. Congo: Tshombé's experience in Cairo has boosted his stock considerably back home in the Congo. The Congolese are outraged and indignant over his treatment by the "Arab slave traders in the north."

(Cont'd)

For The President Only - Top Secret

In the Congo, the rebels failed in an attempt on Monday to retake the key eastern town of Uvira, which they had lost last week. On both occasions, Congolese Government troops forced the rebels to flee into neighboring Burundi.

If the fighting spills over the border, the Burundi regime will probably complain to the OAU that Tshombé's army is violating the frontier.

Tshombé, who left Paris this morning for Leopoldville, issued a statement that no South African pilots will be used in any sort of military operation in the Congo.

[redacted] that he had ordered all South African pilots ousted from the country.

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3. Cyprus: Greek Premier Papandreou, admitting serious disagreement between Athens and Nicosia, believes that Makarios is working against enosis and for a neutral Cyprus.

Papandreou says that Makarios would accept enosis only if it were inevitable and then only on his own terms. This would mean no military bases.

(Cont'd)

Papandreou himself is still urging enosis, with a NATO base and a Turkish "presence."

On the island the impasse continues over opening the Nicosia-Kyrenia road. The Turkish Cypriots still refuse to accept an agreement worked out between Turkey and the Greek Cypriots.

The Cypriot House of Representatives on Thursday will begin debate on the continued operation of US monitoring facilities. These have long been denounced as "American spying stations."

4. South Vietnam: Members of the High National Council are concerned over Khanh's intentions. Many apparently believe that he is maneuvering to stay in power regardless of the council's work.

The council seems to be aiming for a 20 October deadline to complete its work and to have some elements of the new government installed by the 27 October deadline.

Khanh himself continues to say that he intends to relinquish the premiership by the 27 October deadline. Some of his younger military supporters believe, however, that he hopes to retain power and is contemplating a referendum to secure a popular mandate.

(Cont'd)

Khanh is to meet with the council today. Ambassador Taylor expects that the results of the meeting will provide an indication of the degree of rapport between the military and the council.

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5. Indonesia: There are no signs of a let up in Sukarno's anti-Malaysian campaign despite recent Indonesian private overtures for negotiations.

Indonesian forays into Borneo have increased, with at least five since 30 September. The largest of these involved about 120 men.

Djakarta is still planning new infiltrations into mainland Malaysia.

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We do not look for further diplomatic initiatives until Sukarno returns from abroad at the end of the month. He is stopping off at a number of places on his way back from Cairo and may include Peiping and Manila in his itinerary.

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6. Venezuela

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7. Congo (Brazzaville) - Communist China:
Peiping has extended Brazzaville a \$20.5 million, interest-free loan for industrialization.

President Massamba-Debat, back from a visit to Communist China, told a press conference yesterday that the credit carries a ten-year grace period and a ten-year repayment period. He said the Chinese had also offered scholarships to train aircraft pilots, engineers, and others.

8. Cuba-Canada: A Canadian court order has freed the Cuban ship seized in Montreal last week. The order also provided that no other Cuban ships will be held.

The Cuban National Bank's account in Canada is still frozen, however.

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9. USSR-US: The cause of the damage to the US Navy P2V patrol aircraft over La Perousse Strait on 13 October is not yet known. Evidence now available suggests it was caused by mechanical failure on board the aircraft rather than by hostile action.

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10. Bolivia: The feud between President Paz and Vice President Barrientos continues to move toward a showdown.

Barrientos is probably holding off a coup attempt only because he is not certain he has strong enough backing. Some politicians who have been backing Paz are, however, quietly shifting to middle ground.

The peasants and tin miners possess substantial quantities of arms. Thus there is a chance that a coup attempt would not bring about the usual quick military takeover but civil war instead.

11. Brazil-USSR: A new contract has been signed under which the USSR is to furnish about a third of Brazil's crude oil imports next year. This would amount to 4 million metric tons or more than double 1964 imports from the USSR.

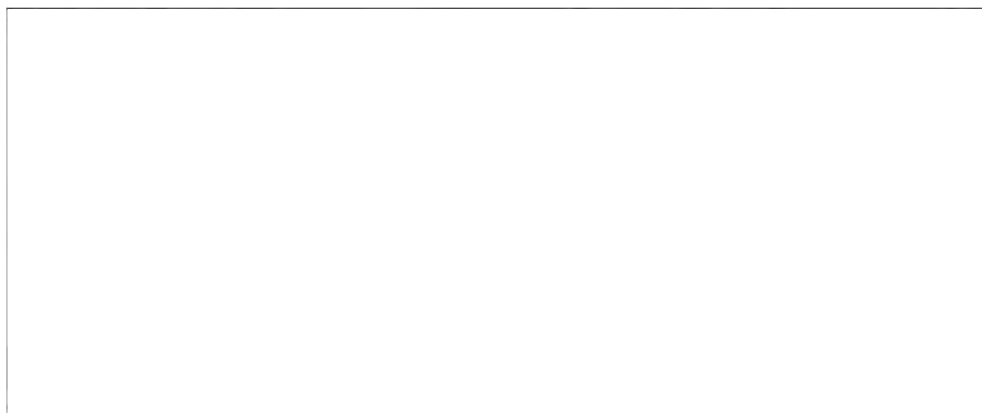
Traditional suppliers are certain to react sharply to the new deal. They recently accepted a stretch-out in Brazilian payment of large arrearages.

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12. Iraq: The atmosphere in Baghdad is uneasy, and an internal blowup over union with Egypt could be in the offing.

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13. Northern Rhodesia: Some troubled times may be in the offing when Northern Rhodesia becomes independent Zambia on 24 October.

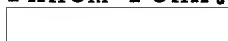
Under pressure by extreme nationalists to line up with the radical Africans, moderate Prime Minister Kaunda has agreed to invite Communist China to the independence ceremonies rather than Nationalist China.



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The extremists may also try to exploit the issue of future ownership of mineral rights in the country.

14. USSR-Cambodia: Soviet President Mikoyan has accepted Sihanouk's invitation to visit Phnom Penh. The date will be set later.

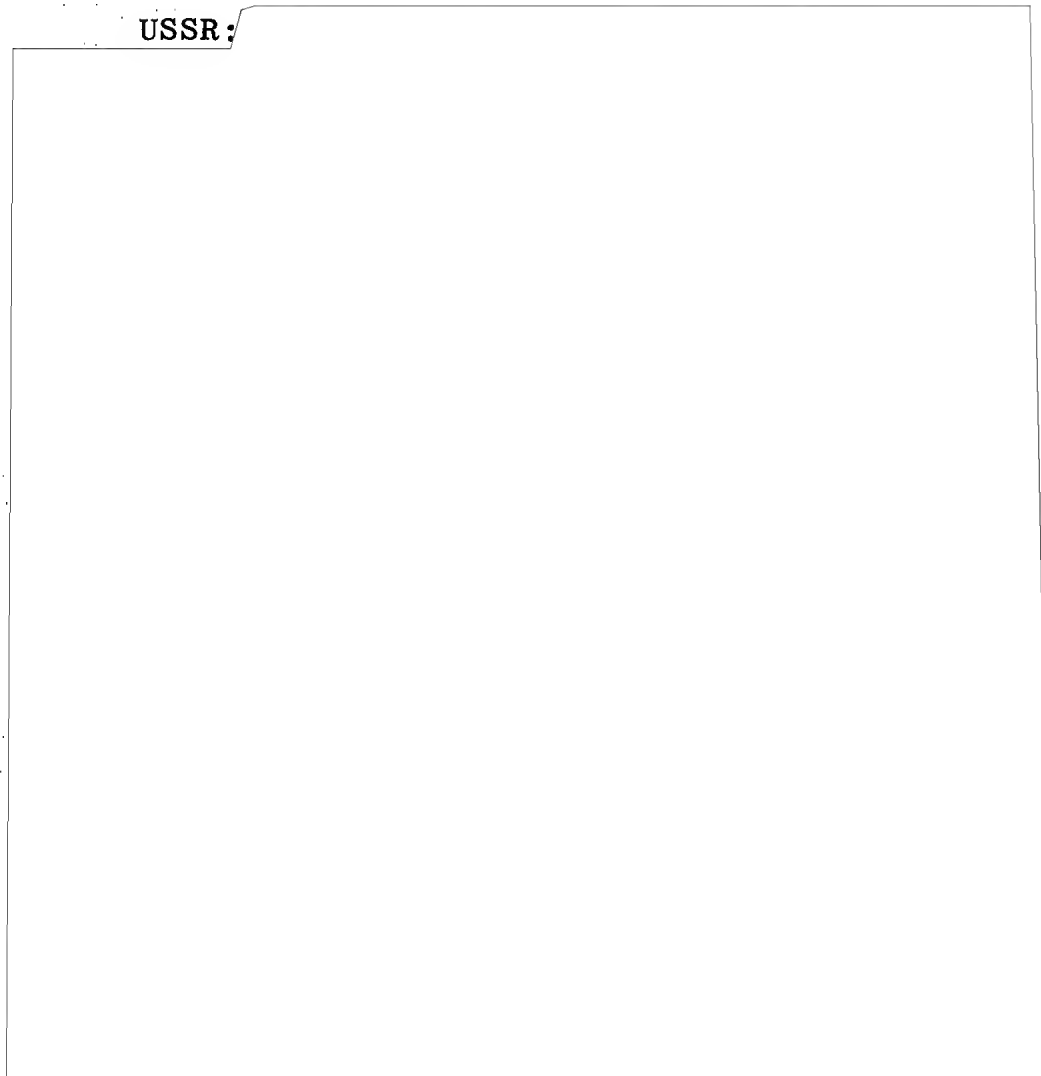


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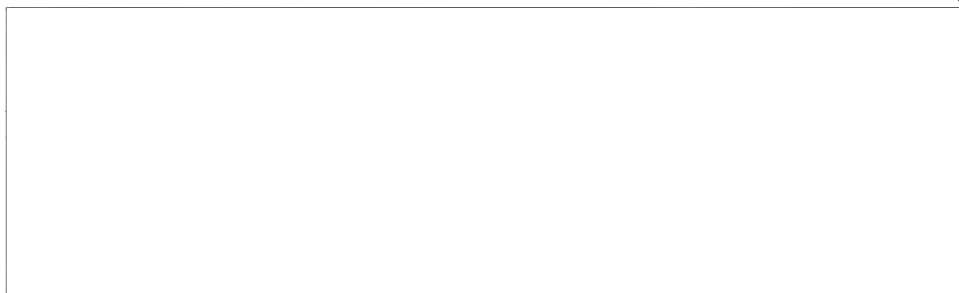
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